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VS OFFICE Electronic Mail

DEPARTMENT OF STATE

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Item Subject: Congressional/hypexchile

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Cuestion

What is the Administration's view of Chinese missile and nuclear proliferation policy and practice, particularly in the Middle East and South Asia?

Answer

- We are pleased that China is participating in the President's Middle East arms control initiative as one of the five primary arms suppliers to the region. The Chinese have endorsed all of the key objectives of the initiative, such as efforts to freeze and ultimately eliminate, surface-to-surface missiles and block the production of and acquisition of nuclear weapons-usable material, and have supported UNSC sanctions against Iraq.
- China has agreed to attend a proposed five power conference on South Asian nonproliferation.
- China also urged Algeria to place under IAEA safeguards the research reactor constructed in Algeria with Chinese assistance. Algeria has since taken this step.
- We would prefer that China not engage in any form of nuclear cooperation with Iran. / We continue to raise this matter with Beijing, despite the fact that the support China is providing to Iran's nuclear program is not directly relevant to a nuclear weapons development effort.
- The Chinese have confirmed in writing their intention to adhere to the MTCR Guidelines, and China recently acceded formally to the NPT.
- China has announced publicly that it has not sold O intermediate-range missiles to any country other than Saudi Arabia. To the best of my knowledge, apart from the Saudi Arabia sale, China has not transferred missiles covered by the MTCR to any country in the Middle East.
- China has stated that it has not supplied any missiles to Syria. We have seen press reports regarding sale of the M-9 to Syria but have no evidence that any transfer has taken place. We will continue to monitor the situation.
- The Chinese have stated that they have supplied "short-range tactical" missiles to Pakistan. We do not have evidence that China has transferred MTCR-parameter missiles to Pakistan. We will continue to follow all PRC

missiles technology transfers to Islamabad to insure that they are consistent with China's MTCR commitments and do not trigger new sanctions under US law.

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